

ASX RELEASE

2 August 2018

**CANCELLATION OF ACCELERATED NON-RENOUNCEABLE RIGHTS
ISSUE TO RAISE APPROXIMATELY \$2.2M**

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NEWSWIRE SERVICES**

Advanced Braking Technology Limited (the Company) announces that the Company's board of directors has resolved to cancel the Accelerated Non-renounceable Rights Issue to raise approximately A\$2.2 million (Entitlement Offer) that was announced on 25 July 2018.

The cancellation takes effective on and from 2 August 2018. The Retail component of the Entitlement Offer has not yet opened.

The Entitlement Offer has been cancelled for the following reasons:

- i. After consultation with ASX, the Company held concerns as to whether the Company's announcement and Appendix 3B in respect to the Accelerated Entitlement offer released on 25 July 2018 and the Offer Document released on 27 July 2018 had correctly offered free attaching options for those shareholders who participated in the Entitlement Offer.
- ii. The Company requested a trading halt on 31 July 2018 to allow additional time to review the Entitlement Offer and the issues relating to the free attaching options.
- iii. The board of directors of the Company resolved on 1 August 2018 to cancel the current Entitlement Offer and commence a process for ASX approval of a timetable to announce a new and revised non-renounceable Rights Issue.

Although funds have been received under the now cancelled Accelerated Institutional offer, no shares have yet been issued to the Eligible Institutional Shareholders who applied for shares under the Institutional component of the Entitlement Offer. All funds received under the now cancelled Entitlement Offer will be refunded to participants.

The Company will make further disclosures about the new and revised non-renounceable rights issue offer.

For and on behalf of the Board.

Ms Dagmar Parsons
Chairman